

# Realty Trust Review

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## MARKET AND STATISTICAL REVIEW

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## TRUST SHARES SLIDE SHARPLY UNDER INTEREST RATE PRESSURES

The renewed general market decline, triggered as it was by soaring short-term interest rates, set the stage for sharp drops among interest sensitive realty trust shares. To begin with, over the recent monthly period from July 24 to Aug. 21, the Dow-Jones Industrials and Utilities buckled 6.6% and 6.3%, respectively. Just two months ago, utilities were outperforming the market thereby lending hope to recovery by money stocks. In the past four weeks, however, things changed with a vengeance. Appropriately, our trust group averages (being presented together for the first time on p.4) show trust groups responded to higher short-term rates relative to their reliance on money markets. While all trust groups were down 7.3%, close to the DJ declines, the magnitude ranged upward from the equity groups to the short-term mortgage lenders. Of the latter, hardest hit were independent trusts where sponsorship is generally least influential financially. This is becoming more important and discussed separately on p.2. The nature of the downtrend was confirmed by breadth as the equity and longer-term oriented groups showed the highest percentage of gainers. Even here, though, losses predominated.

The largest gainers and losers were:

GAINERS		LOSERS	
First Fid.	+4.3%	Conn.Gen.	-18.6%
Amer. Rlty.	+3.6	First Mtg.	-17.9
Citiz. Gro.	+2.6	Fidelco	-17.0
Galbreath	+2.4	Unionamer.	-16.5
Instit. Inv.	+2.1	Cnt'l.ILRlty.	-15.7

Among the largest losers, Connecticut General resumed its decline cancelling out the previous month's gain when it was among the best gainers.

As expected, equity situations, being the distinguished few to advance, were the leaders. Being small and obscure was no longer a drawback. American Realty was helped by its announcement to regularize its full dividend payment whereas it was previously carried as part extra. Institutional Investors scored a technical comeback after being a relatively big loser in last month's strong market.

Looking forward, REIT shares must still be considered vulnerable as the fundamental causes for rising interest rates remain: unknown degree of inflation and lack of confidence in the administration. Trust fundamentals, namely rolling over of portfolios to floating prime and/or

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commercial paper rates, coupled with generous yields point to bottoming out of share prices for better trusts. We think last month's sharp technical recovery corroborates this probing for a bottom.

#### TRUST CAPITAL RAISING EFFORTS MEET TOUGH SLEDDING

The 1973 credit squeeze is putting a severe crimp in the ability of trusts to raise new capital and thus keep their earnings records strong. There's an ominous rumble in all this for current trust shareholders because the squeeze comes just as portfolio turnover and paybacks have slowed perceptibly for many short-term construction and development lending trusts. This combination of circumstances raises the spectre, for some in Wall Street, that a few trusts may be unable to raise the capital they need to honor commitments for funding new loans.

We do not believe this is a real possibility but investors should recognize that the fear of this prospect is likely to lead to some further weakness in trust shares. In recent months we have advised holding shares of trusts connected with larger financial institutions since these trusts logically are best able to raise capital in the very tough markets of the present. We still hew to this view, notwithstanding the fact that in this latest month the shares of institutional trusts have been among the largest percentage losers. This may reflect a past-due adjustment of dividend rates to the reality of higher interest rates. As these interest rates peak and recede, shares of institutional trusts should be in the best position to fulfill their capital requirements.

Credit markets remain sticky with no real tangible signs of backing off from record highs, including this past week's boost to a  $9\frac{1}{2}\%$  prime rate. Treasury bills paused in their upward course this past week but commercial paper, used by many trusts, is still about 1% above the prime. Some money market observers are expecting a 10% prime rate soon, but even if this peak is touched, we expect to see some easing of interest rates by early fall. High rates should be with us for quite awhile, however, possibly into the middle of next year.

Two offerings last week demonstrated just how tough it is for trusts to raise money, and how high the price of money can go. They were the *Guardian Mortgage* and *Barnett Mortgage* offerings of shares and delayed convertibles, respectively. Guardian Mortgage Inv. sold 600,000 shares to the public on Aug. 16. The unique aspect of the transaction is that purchasers will share fully in the quarter's dividend. Old shareholders will thus receive the same amount for keeping their funds in the trust for twelve weeks as the new purchasers will for two weeks. This is spelled out in the prospectus, summarized: the effect of the issuance of the 600,000 shares prior to the record date of any dividend for the three months to Aug. 31 would be to reduce the per share amount of such dividend below the amount otherwise payable.

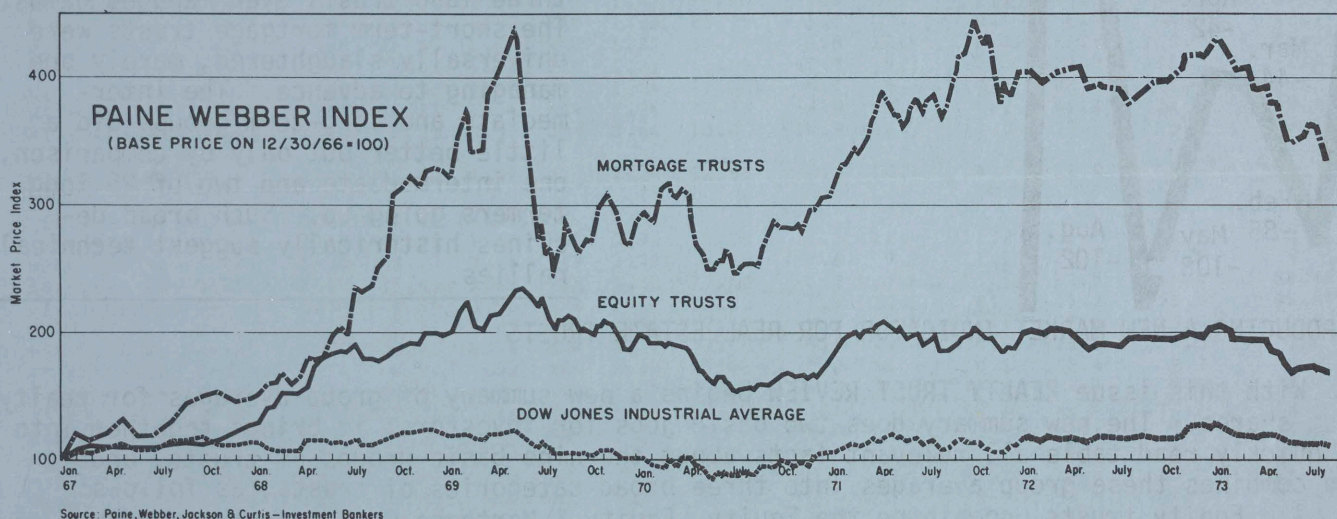
Other trusts have sold new shares to the public and have gotten around this by paying cleanup dividends to holders of record prior to an offering. Coming to mind in this regard are Mortgage Inv. of Washington, First Continental and Lomas & Nettleton.

We understand, however, that Guardian chose its route, with support of the underwriters, because it needed the equity money and the sweetener of the extra dividend was required to make the deal go. Previously, the underwriting was to have been for convertible debentures but this just didn't fly. The bonus dividend means that new shareholders will get \$4.60-4.90 in dividends the first year of holding and this plus a 6% sales commission means the equity money received is effectively costing GMI 16%-17% for the first year.

Barnett Mortgage Trust sold \$30 million of  $8\frac{1}{2}\%$  delayed convertibles containing several features so far unknown for trust offerings. The debentures are convertible at



\$39 per share, or a 63% premium over current market prices of \$23.88 per share. But that big premium is merely to deter conversion for five years until Sept. 1, 1978, when the conversion price may be adjusted to 80% of the average share price in the 30 trading days before that date. If that adjusted conversion price is less than \$39, the trust has the option of redeeming debentures in cash at 125% of par. The offering is structured for retail sale through the large retail securities firms of Merrill Lynch, Pierce, Fenner & Smith and Reynolds Securities. Investors are thus guaranteed 8½% return (vs. 11.4% yield on the trust shares) plus an additional 5% per year in the form of capital gains. And if the \$39 share price is attained, the capital gains would be slightly over 12% annually. For its part the trust figures it can leverage this larger capital base and is willing to pay the providers of "patient" subordinated capital accordingly.



## DIVIDEND DECLARATIONS CONTINUE MODERATE UPWARD TREND

August declarations again show a majority of upticks from both the previous quarter and the year-ago quarter but the rate of gain remains at low levels. The 7.6% annualized rate of increase from the previous quarter is slightly higher than the 5.7% average over the five preceding months. Declarations were 12.5% ahead of year-ago payouts, again in line with experience of the past few months. While some profess disillusionment with the slowing trend, we believe the group's ability to sustain upward momentum during the most rapid runup of interest rates in recent history speaks volumes about the viability of trusts over the longer term.

Four trusts reduced payouts from previous quarters, none by more than 8% and reflecting the effects of the interest rate squeeze on borrowing costs. As we have said before, this narrowing of spread on the upward part of an interest cycle is generally more than matched by a wider spread over longer periods on the down side. Our tallies for August declarations:

-----Change from prev. quarter-----

	Up	Same	Down	Tot.	% Ann. Rate
August	13	9	4	26	+7.6%
8 Mon.	173	70	44	287	---

-----Changes from previous year-----

	Up	Same	Down	Tot.	% Ann. Rate
August	21	1	4	26	+12.5%
8 Mon.	197	43	42	282	---

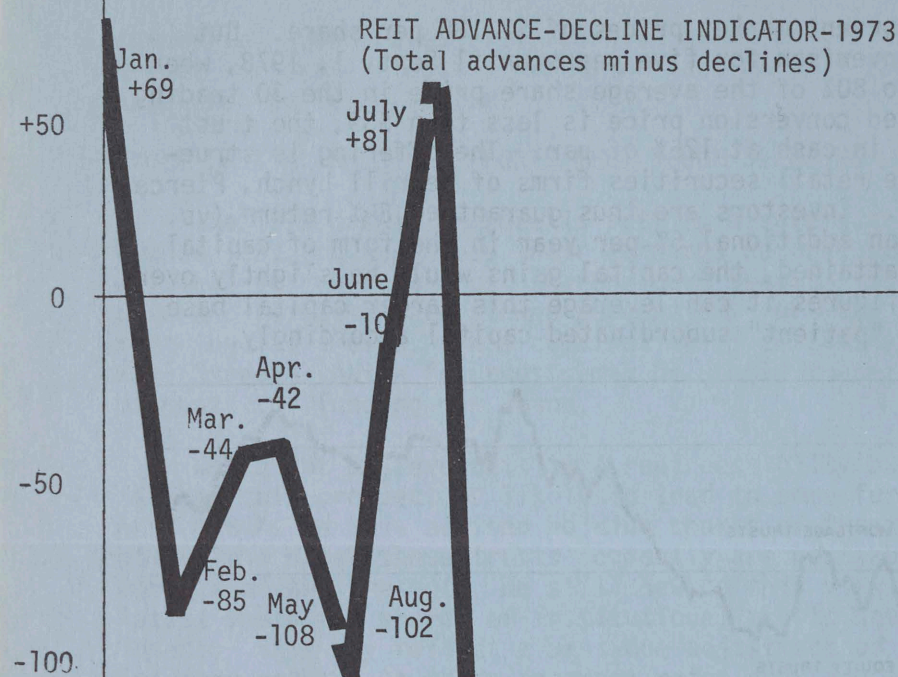
	Record date	-Dividend Latest	per share- Previous	--Net Change-- Amt.	%	Extra	Year ago
Alison Mtg.	8/30	\$ 0.76	\$ 0.75	+ .01	+ 1.3	---	\$0.72
American Fletcher	8/20	0.70a	0.70	---	NC	---	0.67
American Realty	8/31	0.30	0.20c	+	+	---	0.15+.05 ex
Arlan Property	8/10	0.45	0.44	+ .01	+ 2.3	---	0.41
Atico Mtg.	8/13	0.47	0.47	---	NC	---	0.58
BT Mortgage	8/15	0.70	0.72	-.02	-2.8	---	0.59
Baiford & Warner	8/14	0.49	0.49	---	NC	---	0.44
Barnett Mtg.	8/7	0.67	0.65	+ .02	+ 3.1	---	0.63
Beneficial Std.	8/23	k	0.67	---	---	---	0.65
C.I. Mortgage	8/16	0.15m	0.15	---	NC	---	0.18
Citizens Growth	9/7	0.40	0.39	+ .01	+ 2.6	---	0.34
Fidelity Mtg.	8/31	0.88	0.88	---	NC	---	0.76
First Pa. Mtg.	8/24	0.52	0.50	+ .02	+ 4.0	---	0.54
Florida Gulf Rlty.	8/27	0.39*	NO	---	---	---	NO
Great American Mtg.	8/29	0.29m	0.285	+ .005	+ 1.8	---	0.23
Gulf Mortgage	8/17	0.46	0.44	+ .02	+ 4.5	---	0.375
HMC Mortgage	8/30	0.54	0.52	+ .02	+ 3.8	---	0.42
Hamilton Investment	8/6	0.52	0.52	---	NC	---	0.36
Hubbard REI	9/21	0.39	0.39	---	NC	---	0.38
IDS Realty	8/31	0.65	0.60	+ .05	+ 8.3	---	0.45
Investors Realty	8/21	0.34	0.36	-.02	-5.6	---	0.32
JMB Realty	7/2	0.46	0.44	+ .02	+ 4.5	---	NO
Larwin Mtg.	8/17	0.67	0.69	-.02	-2.9	---	0.66
PMNT Mortgage	8/31	0.23	0.25	-.02	-9.0	---	0.26+.01 ex
Realty Income	8/31	0.375	0.56	f	f	---	0.30
Realty Refund	8/31	0.57	0.56	+ .01	+ 1.8	---	0.50
Saul (B.F.) REIT	8/17	0.39	0.39	---	NC	---	0.36
Texas First Mtg.	8/6	0.55	0.50	+ .05	+10.0	---	0.40
U.S. Bancorp	8/22	0.62	0.60	+ .02	+ 3.3	---	0.40
U.S. Realty	8/31	0.34	0.34	---	NC	---	0.34
Walter (Jim) Inv.	8/29	0.45	0.38	+ .07	+18.4	---	NO
Wisconsin REIT	--	0.225	0.225	---	NC	---	0.22
TOTALS (26 Trusts)b		\$13.445	\$13.195	+\$ .25	+ 1.9		

Actual Payment of Dividends with Uncertain Amounts at Declaration

	Record date	0.47e	0.446	+ .024	+ 5.4	.07435e	0.33+.14 ex
Dominion Mtg.	7/24	0.5624e	0.505	+ .0574	+11.4	---	0.49

\*-Initial. a-On shares when declared, may be lower if additional shares are out by ex-dividend dates. b-Excludes initial, monthly and extra declaration. c-Also paid 10¢ extra. e-Actual amount on out shares. k-Per share amount determined on record date. NC-No change. N-Monthly. NO-No operations. Trusts with reduced dividend underlined.





Broad declines of trust shares resumed following the sharp, short-lived rally. In Aug., 116 trust shares fell and only 14 advanced, over an 8 to 1 ratio. This was the second worst month in 1973, a year marked by volatility mostly on the downside. Equity related groups managed best. The straight equities were down 4 to 1 and equity & mortgage combo 3.5 to 1. Two of three land trusts even managed gains. The short-term mortgage trusts were universally slaughtered, merely one managing to advance. The intermediate and long-term groups did a little better but only by comparison, one intermediate and two of 25 long termers going up. Such broad declines historically suggest technical rallies.

### INTRODUCING A NEW MARKET INDICATOR FOR REAL ESTATE TRUSTS

With this issue REALTY TRUST REVIEW begins a new summary of group averages for realty trust shares. The new summary does two basic jobs for investors: it brings together into one quickly read table all relevant facts about the nine basic groups of trusts, and it then combines these group averages into three broad categories of trusts, as follows:

1. Equity trusts, combining the Equity, Equity & Mortgage Combination, and Subordinated Land groups. A quick look at the table below shows the following recent market action for these three groups: the Equity and Equity & Mortgage Combination groups were down while the Subordinated Land trusts were up fractionally in price; the three groups sell for an average 6.9% below book value but the Equity group sells farthest below book.

2. Short-term mortgage trusts, combining 57 trusts with independent, mortgage banker, commercial bank and miscellaneous financial institution sponsorship. Again it can be seen quickly that while all short-term mortgage groups declined 8.2% last month, the independent trusts fell the most, 10.5%. And while all short-term trusts sell for 5.1% above book value, the independents are well below book value.

3. Intermediate and long-term mortgage trusts, combining 32 issues in these two groups. Again, distinctions can be made between the groups and the broader category.

Computations are fully weighted averages so that group averages for price changes, price/earnings ratios, dividends, etc. are calculated from the totals of underlying numbers (i.e., book value, dividends, earnings, etc.) for each group. A major plus in this new computation is close comparability to movements of the various Paine-Webber Indexes.

COMPARATIVE TRUST GROUP AVERAGES 08/22/73  
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GROUP		SHARE N (000)	BOOK VALUE	EST DIV*	EARN ANN*	LAST PRICE	% CHNG	P/E RATIO	EST* YIELD	% PR TC BK	RETURN ON BK	MARKET VALUE
EQUITY TRUSTS	21	1711	14.32	1.22	1.24	12.51	-4.7	10.1	9.7	-12.7	8.7	494.5
EQUITY AND MORTGAGE COMBIN	19	1710	13.99	1.48	1.46	13.54	-4.1	9.2	10.9	-3.2	10.5	457.2
SUBORDINATED LAND TRUSTS	3	2677	18.19	1.99	2.00	19.42	0.4	9.7	10.3	6.8	11.0	160.4
*AVERAGE 3 EQUITY GROUPS	43	1778	14.45	1.39	1.39	13.45	-3.9	9.7	10.3	-6.9	9.6	1112.1
SHORT-TERM MTG-INDEPENDENT	7	4536	15.65	1.43	1.60	13.00	-10.5	8.1	11.0	-16.5	10.2	380.6
SHORT-TERM MTG-MTG BANKER	26	1900	17.55	2.13	2.19	18.26	-7.8	8.3	11.7	4.0	12.5	964.2
SHORT-TERM MTG-COMCL BANK	15	2442	22.28	2.64	2.77	24.68	-8.5	8.9	10.7	10.8	12.4	988.8
SHORT-TERM-MISC FINCL	9	2629	18.91	2.47	2.48	20.99	-7.8	8.4	11.7	11.0	13.1	513.7
*AVERAGE 4 SHORT-TERM GROUPS	57	2481	18.77	2.23	2.31	19.73	-8.2	8.5	11.3	5.1	12.3	2847.3
INTERMEDIATE-TERM MORTGAGES	7	3252	17.51	2.13	2.11	17.72	-8.1	8.4	12.0	1.2	12.1	373.1
LONG-TERM MTG & EQUITIES	25	2988	18.68	1.89	1.89	17.92	-8.8	9.5	10.5	-4.1	10.1	1324.3
*AVERAGE LONG & INTERMEDIATE	32	3046	18.42	1.94	1.94	17.87	-8.6	9.2	10.8	-3.0	10.5	1697.5
OVERALL AVERAGE	132	2389	17.28	1.89	1.92	17.23	-7.3	9.0	10.9	-0.3	11.1	5656.9
DOW-JONES INDUSTRIAL AVERAGE					71.98	857.84	-6.6	11.9	3.85	--	--	--



	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	EST DIV*	EARNINGS MON ANN*	LAST PRICE	% CHNG	P/E RATIO	EST* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)
EQUITY TRUSTS												
ARLEN PROP*	Q-ARLNS	1012	14.37	1.80	JUN 1.80	13.75X	-0.4	7.6	13.1	-4.3	12.5	13.9
C I REALTY #	Q-CIRLS	2609	22.80	1.20	MAY 1.00	11.25	-10.0	11.3	10.7	-50.7	4.4	29.4
CITIZENS GR#	Q-CITGS	811	18.54	1.60	APR 1.76	14.75	2.6	8.4	10.8	-20.4	9.5	12.0
CUN ILL PRO#	Q-CILLS	4808	23.64	1.44	APR 1.40	15.25	-2.4	10.9	9.4	-35.5	5.9	73.3
DENVER RLTY*	Q-DENV	1091	9.46	0.60	DEC 0.72	7.75	-1.6	10.8	7.7	-18.1	7.6	8.5
FLORIDA GLF#	Q-FGLFS	975	18.69	1.56	JUL 1.64	16.75X	-6.1	10.2	9.3	-7.4	9.1	16.3
FST FIDELTY#	Q-FFITS	866	12.00	0.64	MAY 0.45	6.13	4.3	13.6	10.4	-48.9	3.7	5.3
GENERAL GRD#	N-GGP	5554	6.91	0.88	JUN 0.92	18.00	-8.9	19.6	4.9	160.5	13.3	100.0
GIT REALTY#	A-GIM	1150	9.41	1.20	MAR 1.22	8.88	-10.1	7.3	13.5	-5.6	13.0	10.2
GOULD INVST#	A-GTR	1179	7.79	0.88	DEC 0.84	8.25	-9.6	9.8	10.7	5.9	10.8	9.7
GREIT RLY#	A-GRT	998	14.26	1.20	APR 1.55	10.50	-4.5	6.8	11.4	-26.4	10.9	10.5
HUBBARD REI	N-HRE	4004	23.42	1.56	JUL 1.56	18.38	-3.3	11.8	8.5	-21.5	6.7	73.6
JMB REALTY#	Q-JMBRS	510	18.27	1.84	MAY 1.84	15.50	-6.1	8.4	11.9	-15.2	10.1	7.9
MUTUAL REIT#	Q-MUTRS	1433	6.90	0.17	JUN 0.11	2.63	0.0	23.9	6.5	-61.9	1.6	3.8
NEW PLAN RLY	Q-NPLNS	665	11.61	1.68	OCT 1.60	15.00	1.7	9.4	11.2	29.2	13.8	10.0
PENN REIT#	A-PEI	1503	10.88	1.10	MAY 1.60	11.75	-3.1	7.3	9.4	8.0	14.7	17.7
REIT OF AMER	A-REI	1567	21.55	1.40	MAY 1.28	16.13	0.8	12.6	8.7	-25.2	5.9	25.3
SUMMIT PROP#	Q-SMPTS	961	9.97	1.10	JAN 1.26	12.25	-7.5	9.7	9.0	22.9	12.6	11.8
US LSG REI#	A-USE	1348	21.95	1.80	JUN 1.84	17.00X	-5.1	9.2	10.6	-22.6	8.4	22.9
WASH REIT#	A-WRE	1368	10.11	1.04	MAR 1.24	12.75	-8.9	10.3	8.2	26.1	12.3	17.4
WISC REI FD#	Q-WREI	1514	8.81	0.90	JUN 0.44	10.00	-14.9	22.7	9.0	13.5	5.0	15.1

GROUP AVERAGE 1711 14.32 1.22 1.24 12.51 -4.7 10.1 9.7 -12.7 8.7 494.5

## EQUITY AND MORTGAGE COMBINATION TRUSTS

AMER REALTY#	A-ARB	2117	7.99	1.20	MAR 0.92	10.75	3.6	11.7	11.2	34.5	11.5	22.6
BERG ENT RG	A-BRT	1400	9.17	0.76	MAY 0.72	6.63	-8.6	9.2	11.5	-27.7	7.9	9.3
BUILDERS INV	N-BSG	2487	23.41	3.60	JUN 3.60	27.50	-8.7	7.6	13.1	17.5	15.4	68.4
FIRST UNION#	N-FUR	3690	9.94	0.96	APR 1.12	11.75	-1.1	10.5	8.2	18.2	11.3	43.4
FLATLEY RLT	Q-FLTLS	1000	9.21	0.89	JUN 0.92	7.13X	-9.1	7.7	12.5	-22.6	10.0	7.1
FRANKLIN RLY	A-FR	998	9.83	0.76	MAR 0.72	7.00	-5.1	9.7	10.9	-28.8	7.3	7.0
INCOME MTG#	Q-INMRS	1014	8.22	1.00	MAR 0.80	9.75	0.0	12.2	10.3	18.6	9.7	9.9
INDIANA MER	Q-INDMS	1153	18.81	1.72	JUN 1.72	18.00	-5.3	10.5	9.6	-4.3	9.1	20.8
INVESTOR RL#	A-IRT	1579	12.58	1.36	MAY 1.40	11.75X	-13.6	8.4	11.6	-6.6	11.1	18.6
LINCOLN MTG*	Q-LNMGs	1153	9.36	0.80	MAR 0.88	6.63X	-8.9	7.5	12.1	-29.2	9.4	7.6
MILLER HEN S	Q-HSMTS	560	18.33	1.36	MAY 1.46	13.50	-6.9	9.2	10.1	-26.4	8.0	7.6
NJB PRIME	A-NJB	1229	19.80	2.40	MAY 2.48	19.50	-1.3	7.9	12.3	-1.5	12.5	24.0
PEASE ELLIMN	A-PNE	1114	18.31	1.60	JUN 1.44	14.00	-0.9	9.7	11.4	-23.5	7.9	15.6
RIVIERE RLY#	Q-RIVI6	783	9.24	0.96	JUN 0.81	9.63	1.4	11.9	10.0	4.2	8.8	7.5
RLTY INCOME	A-RIT	1516	14.47	1.50	JUL 1.32	14.50	1.8	11.0	10.3	0.2	9.1	22.0
SAUL (BF)REI	N-BFS	5512	15.22	1.56	JUN 1.60	15.50X	0.9	9.7	10.1	1.8	10.5	85.4
US BANCORP*	A-UBT	779	23.70	2.48	MAY 3.04	25.88X	-6.2	8.5	9.6	9.2	12.8	20.2
US REALTY#	N-UTY	3377	9.78	1.36	JUN 1.35	13.38	-4.4	9.9	10.2	36.8	13.8	45.2
WALTER JIM #	Q-WALJS	1035	18.49	1.80	APR 1.52	14.50	-0.9	9.5	12.4	-21.6	8.2	15.0

GROUP AVERAGE 1710 13.99 1.48 1.46 13.54 -4.1 9.7 10.9 -3.2 10.5 457.2

## SUBORDINATED LAND TRUSTS

CABOT LAND	N-CFT	2954	19.91	2.40	MAY 2.36	24.13	-1.0	10.2	9.9	21.2	11.9	71.3
ICM REALTY	A-ICM	3011	20.78	1.86	MAY 1.88	19.75	1.9	10.5	9.4	-5.0	9.0	59.5
PROPERTY CAP	A-PCL	2065	13.87	1.72	APR 1.76	14.38	0.9	8.2	12.0	3.7	12.7	29.7

GROUP AVERAGE 2677 18.19 1.99 2.00 19.42 0.4 9.7 10.3 6.8 11.0 160.4

## SHORT-TERM MTG-MTG BANKER

ATICO MTG IN	N-ACU	2693	17.92	1.88	APR 2.00	15.88X	-10.4	7.9	11.8	-11.4	11.2	42.8
BAIRD & WARNR	Q-BAIDS	1015	19.48	1.96	APR 1.76	16.13X	-5.0	9.2	12.2	-17.2	9.0	16.4
BARNES MTG	Q-BARNs	1910	18.62	1.40	JUN 1.52	15.88X	-8.6	10.4	8.8	-14.7	8.2	30.3
CENTRAL MTG	Q-CMRTS	775	18.19	1.92	JUN 1.92	18.00X	-6.4	9.4	10.7	-1.0	10.6	13.9
CITIZENS MI	A-CZM	1416	14.15	1.72	JUN 1.64	15.63	-6.7	9.5	11.0	10.5	11.6	22.1
COLWELL MTG	A-CLM	1899	21.79	3.09	JUN 3.44	26.63X	-9.5	7.7	11.6	22.2	15.8	50.6
FIRST CONTNL	Q-FCRES	2106	9.13	0.84	MAY 1.16	9.75	-7.1	8.4	8.6	6.8	12.7	20.5
FRASER MTG I	Q-FRASS	1038	16.97	2.08	MAY 2.08	15.25	-12.9	7.3	13.6	-10.1	12.3	15.8
GALBREATH FM	Q-GALBS	1043	24.64	2.28	JUN 2.28	21.75	2.4	9.5	10.5	-11.7	9.3	22.7
GUARDIAN MTG	N-GMI	2952	28.11	4.33	MAY 4.40	33.88	-11.4	7.7	12.8	20.5	15.7	100.0
GULF SO MTG	A-GSR	1161	18.11	2.32	JUN 2.32	18.00X	-5.9	7.8	12.9	-0.6	12.8	20.9
HAMILTON INV	Q-HAMTS	2095	18.70	2.08	JUN 2.48	16.25X	-10.6	6.6	12.8	-13.1	13.3	34.0
HEITHAN MTG	A-HTM	3107	11.75	1.48	JUN 1.56	11.75	-2.1	7.5	12.6	0.0	13.3	36.5
JUSTICE MTG	Q-JUSTS	1083	18.16	2.64	JUN 2.64	22.50	-8.2	8.5	11.7	23.9	14.5	24.4
KMC MTG IN	Q-KMTGS	1100	13.84	1.12	MAY 1.12	9.25	-5.1	8.3	12.1	-33.2	8.1	10.2
LARWIN MTG I	N-LWN	2009	18.69	2.68	MAR 2.76	21.25X	-7.2	7.7	12.6	13.7	14.8	42.7
LOMAS & NTLN	N-LOM	3700	33.21	3.84	JUN 3.84	39.00X	-8.1	10.2	9.8	17.4	11.6	144.3
M&T MTG INV	Q-MTMIS	1482	10.30	1.16	MAY 1.24	10.63	-5.5	8.6	10.9	3.2	12.0	15.8
MIDLAND MTG	N-MMT	2225	12.70	1.72	JUN 1.78	14.13	-8.8	7.9	12.2	11.3	14.0	31.4
NATIONAL MTG	Q-NMTGS	2307	10.65	1.48	MAY 1.44	12.75	-7.3	8.9	11.6	19.7	13.5	29.4
ND AMER MTG@	N-NAM	4400	14.57	2.48	JUN 2.48	25.00X	-5.6	10.1	9.9	71.6	17.0	110.0
PALOMAR MTG	A-PMI	1812	13.32	1.76	MAY 1.76	14.13	-5.0	8.0	12.5	6.1	13.2	25.6
SUTRO MTG IN	N-SUT	2319	17.14	1.60	JUN 1.64	14.13X	-6.3	8.6	11.3	-17.6	9.6	32.8
TEXAS 1ST MT	Q-TFMRS	1055	18.71	2.20	JUN 2.16	17.25X	-1.8	8.0	12.8	-7.8	11.5	18.2
TMC MTG INV	Q-TMCMS	800	18.06	3.00	JUN 3.00	20.88	-12.1	7.0	14.4	15.6	16.6	16.7
UNIONAM M&EQ	A-UAT	1903	19.32	2.44	MAY 2.44	19.00	-16.5	7.8	12.8	-1.7	12.6	36.2

GROUP AVERAGE 1900 17.55 2.13 2.19 18.26 -7.8 8.3 11.7 4.0 12.5 964.2

#CASH FLOW. \*GROSS CASH FLOW. @CASH FLOW INCLUDING DEBT DISCOUNT AMORTIZATION.



	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	EST DIV*	EARNINGS MUN ANN*	LAST PRICE	% CHNG	P/E RATIO	EST* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)
SHORT-TERM MTG-INDEPENDENT												
ASSOC MTG IN	A-AMY	1339	19.98	0.00	JUN 1.20	6.50	-2.0	5.4	0.0	-67.5	6.0	8.7
CAPITAL MI	O-CMORS	1580	23.60	2.68	JUN 2.80	23.00	-11.1	8.2	11.7	-2.5	11.9	36.3
CONTINTL MTG	N-CMI	16956	9.67	1.08	JUN 1.08	9.63	-6.0	8.9	11.2	-0.4	11.2	163.3
FIRST MTG IN	N-FIM	6796	14.87	1.92	APR 1.80	15.50	-17.9	8.6	12.4	4.2	12.1	105.3
MTG INV WASH	O-MINVS	1970	13.96	1.68	JUN 1.72	14.25X	-11.3	8.3	11.8	2.1	12.3	28.1
REPUBLIC MI	N-RMI	2107	18.53	1.80	JUN 1.76	15.13X	-4.9	8.6	11.9	-18.3	9.5	31.9
WESTERN MI	O-WMTGS	1001	8.95	0.84	MAY 0.84	7.00	-13.9	8.3	12.0	-21.8	9.4	7.0

GROUP AVERAGE 4536 15.65 1.43 1.60 13.00 -10.5 8.1 11.0 -16.9 10.2 380.6

## SHORT-TERM MTG-COMCL BANK

AMER FLETCHER	A-AFM	1342	24.97	2.80	JUL 3.20	26.00X	-7.1	8.1	10.8	4.1	12.8	34.9
BARNETT MTG	N-BMT	1946	21.67	2.68	JUN 2.96	23.50X	-10.9	7.9	11.4	8.4	13.7	45.7
CAMERON-BRW	N-CB	2019	24.24	2.92	JUN 3.04	25.50X	-6.3	8.4	11.5	5.2	12.5	51.5
CHASE MAN MT	N-CMR	4816	30.01	4.56	MAY 4.56	52.00	-2.8	11.4	8.8	73.3	15.2	250.4
CITINATL DEV	O-CITIE	600	18.66	1.40	JUN 1.36	10.50X	-12.2	7.7	13.3	-43.7	7.3	6.3
CITIZENSEQ RL	N-CZS	3801	22.09	3.04	JUN 3.12	32.38	-6.1	10.4	9.4	46.6	14.1	123.1
CONT ILL RLY	N-CIR	2797	18.49	1.80	JUN 1.92	15.88X	-15.7	8.3	11.3	-14.1	10.4	44.4
FST COMMERCE	O-FCRNS	1008	22.85	1.50	JUN 2.13	21.25	-13.7	10.0	7.1	-7.0	9.3	21.4
FST DENVR MI	A-FDE	1580	18.72	2.25	JUN 2.32	21.13	-4.0	9.1	10.6	12.9	12.4	33.4
FST PENN MT	N-FPM	2938	20.80	2.08	JUL 2.08	16.63X	-10.4	8.0	12.5	-20.0	10.0	48.9
FST WISCN MT	N-FWM	1910	29.50	4.20	JUN 4.36	35.00X	-11.8	8.0	12.0	18.6	14.8	66.8
TRI-SOUTH MI	N-TSI	2159	22.05	2.96	JUN 3.04	28.63	-6.9	9.4	10.3	29.8	13.8	61.8
USF INVESTRS	O-USFNS	2500	22.95	2.80	JUN 2.80	19.88X	-9.5	7.1	14.1	-13.4	12.2	49.7
WACHOVIA RLY	N-WRI	3335	18.92	2.40	MAY 2.40	22.00	-8.3	9.2	10.9	16.3	12.7	73.4
WELLS FAR-MI	N-WFM	3877	18.28	2.16	JUN 2.24	19.88X	-10.8	8.9	10.9	8.8	12.3	77.1

GROUP AVERAGE 2442 22.28 2.64 2.77 24.68 -8.5 8.9 10.7 10.8 12.4 988.8

## SHORT-TERM-MISC FINCL

AMER CENTURY	N-ACT	2597	21.26	2.32	MAR 2.00	17.50X	-4.8	8.8	13.3	-17.7	9.4	45.4
BENEF STD MI	A-BSM	1274	21.96	2.68	JUL 3.08	22.25	-10.6	7.2	12.0	1.3	14.0	28.3
CI MTG GROUP	N-CI	4811	18.92	1.80	JUL 1.92	15.63X	-14.1	8.1	11.5	-17.4	10.1	75.2
DOMINION MER	O-DMRTS	623	9.42	1.95	MAY 2.24	16.00	-5.9	7.1	12.2	69.9	23.8	10.0
FIDELITY MI	N-FID	3013	19.94	3.52	JUL 3.60	27.63	-13.0	7.7	12.7	38.6	18.1	83.2
GRT AMER MI	N-GAA	4245	16.89	3.48	APR 3.28	31.88	-5.5	9.7	10.9	88.8	19.4	135.3
HANOVER SQ R	O-HASQS	829	19.34	1.96	MAY 1.88	16.00	-8.6	8.5	12.2	-17.3	9.7	13.3
IUS RLY TR	N-IDR	2408	23.35	2.60	JUL 2.48	27.00	1.9	10.9	9.6	15.6	10.6	65.0
MTG TRUST AM	N-MT	3859	19.07	1.88	MAY 1.88	15.00	-11.1	8.0	12.5	-21.3	9.9	57.9

GROUP AVERAGE 2629 18.91 2.47 2.48 20.99 -7.8 8.4 11.7 11.0 13.1 513.7

## INTERMEDIATE-TERM MORTGAGES

ALISON MTG I	N-AMV	2257	20.70	3.04	JUL 3.04	27.75	-2.6	9.1	11.0	34.1	14.7	62.6
BARNET-WINST	O-BWITS	1663	18.69	1.80	JUN 1.80	16.38X	-13.7	9.1	11.0	-12.4	9.6	27.2
DIVERSIFO MI	N-DMG	7319	20.06	2.92	JUN 2.92	21.13	-10.6	7.2	13.8	5.3	14.6	154.7
FST VIRGINIA	O-FVMTS	1208	23.49	2.48	JUN 2.36	21.00X	-10.4	8.9	11.8	-10.6	10.0	25.4
MEDIAN MTG I	O-MDMIS	2486	10.30	1.16	APR 1.20	9.88	-13.2	8.2	11.7	-4.1	11.7	24.6
RLTY REFUND	A-RRF	1045	18.58	2.28	JUL 2.28	19.25	-3.8	8.4	11.8	3.6	12.3	20.1
SECURITY MTG	A-SMD	6787	10.74	1.20	JUN 1.20	8.63X	-3.5	7.2	13.9	-19.6	11.2	58.6

GROUP AVERAGE 3252 17.51 2.13 2.11 17.72 -8.1 8.4 12.0 1.2 12.1 373.1

## LONG-TERM MTG &amp; EQUITIES

ATLANTA NATL	O-ATNAS	1260	18.57	1.80	MAY 1.80	14.38	-8.7	8.0	12.5	-22.6	9.7	18.1
BANKAM RLTY	O-BRLTS	3501	19.22	2.04	JUL 1.84	24.00	-11.5	13.0	8.5	24.9	9.6	84.0
BT MTG INVTR	A-BTM	2151	13.65	2.80	JUN 2.80	25.13X	-13.6	9.0	11.1	84.1	20.5	54.1
CLEVELTRST RL	O-CTRS	2524	18.77	1.80	JUN 1.76	18.75X	-5.2	10.7	9.6	-0.1	9.4	47.3
CUN GEN MER#	N-CGM	5618	23.24	1.86	JUN 1.88	18.63	-18.6	9.9	10.0	-19.8	8.1	104.7
COUSINS M&EQ	N-CUZ	3696	20.88	2.36	MAY 2.36	24.50	-3.9	10.4	9.6	17.3	11.3	90.6
EQUIT LF MTG	N-EQ	5524	24.29	2.16	JUL 2.20	22.50	-13.1	10.2	9.6	-7.4	9.1	124.3
FIDELCO GROW	A-FGI	1581	25.68	3.20	MAY 3.20	26.13	-17.0	8.2	12.2	1.8	12.5	41.3
FST MEMPHIS	O-FMEMS	1149	18.06	2.04	MAY 2.04	19.25	-4.9	9.4	10.6	6.6	11.3	22.1
GULF MTGERLY	A-GMR	2210	18.64	1.84	MAY 1.84	16.25X	-3.9	8.8	11.3	-12.8	9.9	35.9
HNC MTGERLY	O-HNCMS	2366	20.23	2.16	JUL 2.12	19.00	-7.3	9.0	11.4	-6.1	10.5	45.0
HOSPITAL MTG	A-HMG	1178	23.26	2.23	MAY 2.52	17.88	-4.6	7.1	12.5	-23.1	10.8	21.1
HOTEL INVSTR	A-HOT	1510	20.63	2.08	MAY 2.12	19.50	1.3	9.2	10.7	-5.5	10.3	29.4
INSTITUTNL	N-INV	6074	13.52	1.36	APR 1.36	12.25	2.1	9.0	11.1	-9.4	10.1	74.4
LARWIN RLTY	A-LRM	3610	18.63	1.24	MAY 1.24	11.00	-12.0	8.9	11.3	-41.0	6.7	39.7
MASSMUT MTG	N-MML	4656	23.81	2.00	APR 2.00	20.25	-6.9	10.1	9.9	-15.0	8.4	94.3
MUNY MTG INV	N-MYM	8756	9.91	0.92	MAY 0.92	10.50	-12.5	11.4	8.8	6.0	9.3	91.9
MTG GROWTH I	A-MTG	2652	12.58	1.16	MAY 1.16	10.63	-12.4	9.2	10.9	-15.5	9.2	28.2
NEWSTRN FINC	O-NFINS	1510	18.54	1.68	JUN 1.84	15.88X	-7.5	8.6	10.6	-14.3	9.9	24.0
NEWSTRN MUTL	N-NML	4709	19.39	1.92	JUN 1.92	22.50	-9.1	11.7	8.5	16.0	9.9	106.0
OLD STONE M#	O-USMRS	756	13.17	1.28	JUN 1.24	13.50	-1.0	10.9	9.5	2.5	9.4	10.2
PACIFIC STNH	O-PSMTS	814	13.83	1.00	JUN 1.08	10.50	-4.5	9.7	9.5	-24.1	7.8	8.5
PNB MTG &RLY	N-PNI	2436	19.08	2.00	JUN 1.92	18.25	-11.0	9.5	11.0	-4.4	10.1	44.5
RAM PACIFIC	O-RPACS	1696	19.29	1.72	MAY 1.64	15.75	-10.0	9.6	10.9	-18.4	8.5	26.7
STATE MUTUAL	N-SMU	2768	20.02	2.48	JUN 2.36	21.00	-8.2	8.9	11.8	4.9	11.8	58.1

GROUP AVERAGE 2988 18.68 1.89 1.89 17.92 -8.8 9.5 10.5 -4.1 10.1 1324.3



## WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	DLT (000)	EXER PRICE	NO. SH.	WTS PRICE	STK PRICE	CONV PREM	% CHG	MKT VA (MIL\$)
ALISON MTG	D-ALIS5	12/75	24	19.00	1.0	7.50	27.75	-4.5	-21.1	0.2
ALISON MTG'B	D-ALISW	12/76	396	27.50	1.0	1.75	27.75	5.4	-30.0	0.7
AMER CENTURY	A-ACTW	6/75	697	23.00	1.0	1.00	17.50	37.1	-38.7	0.9
AMER FLETCHER	A-AFMW	1/75	492	25.00	1.0	2.38	26.00	5.3	-32.0	1.2
AMER REALTY	A-ARBW	9/76	1000	9.63	1.0	1.63	10.75	4.7	30.4	1.6
ASSOC MTG IN	D-ASMGW	12/73	100	28.25	1.0	0.05	6.50	335.4	-80.0	0.0
ATICO MTG IN	A-ACOW	12/79	564	15.00	1.0	3.63	15.88	17.3	3.7	2.0
ATICO MTG(B)	D-ATIC5	4/81	358	21.00	1.0	0.88	15.88	37.8	-12.0	0.3
ATLANTA NATL	D-ATNAW	8/76	1260	20.00	1.0	0.63	14.38	43.5	0.0	0.8
BARNES MTG	D-BARNW	12/77	1910	20.00	1.0	1.50	15.88	35.4	-14.3	2.9
BARNETT MTG	D-BMTRW	4/80	646	20.00	1.0	4.38	23.50	3.7	-37.4	2.8
BARNETT-WINST	D-BWITW	7/77	1657	20.00	1.0	1.63	16.38	32.1	-34.8	2.7
BENEF STD (B)	D-BSBM5	3/77	285	27.75	1.0	0.75	22.25	28.1	0.0	0.2
BENEF STD MT	A-BSMW	7/75	604	20.00	1.0	3.50	22.25	5.6	-26.3	2.1
BERG ENT RG	A-BRTW	11/77	1400	10.00	1.0	0.63	6.63	60.3	-33.0	0.9
BT MTG INV	D-BTMGW	1/77	440	24.00	1.0	3.25	25.13	8.4	-40.9	1.4
BUILDER IN	D-BULW	12/86	2009	25.00	1.0	5.63	27.50	11.4	-4.3	11.3
CAMERON-BRW	D-CMRNW	11/76	1488	25.00	1.0	3.00	25.50	9.8	-22.7	4.5
CAPITAL MTG	D-CMRW	11/74	524	20.00	1.0	4.38	23.00	6.0	-23.8	2.3
CENTRAL MTG	D-CMRTW	3/77	775	20.00	1.0	1.75	18.00	20.8	-17.8	1.4
CI MTG GROUP	A-CI.W	3/80	2861	20.00	1.0	1.88	15.63	40.0	-11.7	5.4
CI REALTY IN	D-CIRLW	3/77	2609	25.00	1.0	0.75	11.25	128.9	0.0	2.0
CITINATL DEV	D-CITIS	4/75	600	20.00	1.0	0.13	10.50	91.7	0.0	0.1
CITIZENS GRO	D-CITGW	1/77	785	20.00	1.0	0.50	14.75	39.0	0.0	0.4
CITIZENSMTG	A-CZMW	12/74	696	15.00	1.0	1.50	15.63	5.6	-25.0	1.0
CITZNS & SO	D-CSRW	10/75	603	20.00	0.5	5.75	32.38	-2.7	-14.8	3.5
CLEVELERST RL	D-CTRIW	1/76	2508	20.00	1.0	1.00	18.75	12.0	-27.5	2.5
COLWELL M(B)	D-CLWLW	9/73	298	29.38	1.0	2.25	26.63	18.8	-14.4	0.7
COLWELL MTG	A-CLMW	12/74	349	20.00	1.0	7.75	26.63	4.2	-22.5	2.7
COUNT ILL RLY	D-COIS	4/74	179	20.00	1.0	0.13	15.88	26.8	-91.3	0.0
COUSINS MTG	A-CUZW	2/77	740	24.63	1.0	3.25	24.50	13.8	0.0	2.4
DENVER REIA	D-DENV5	5/76	177	11.00	1.0	0.38	7.75	46.8	0.0	0.1
DOMINION (B)	D-DMRTZ	10/87	550	17.75	1.0	2.25	16.00	25.0	0.0	1.2
DOMINION MER	D-DMRTW	6/76	421	12.00	1.0	4.50	16.00	3.1	-12.3	1.9
FIDELCO GROU	A-FGIW	9/75	140	25.00	1.0	5.25	26.13	15.8	-28.9	0.7
FIDELITY MTG	D-FIDE5	3/79	173	22.25	1.0	5.00	27.63	-1.4	-47.4	0.9
FIR MEMPHIS	D-FMEMW	2/75	1131	20.00	1.0	1.00	19.25	9.1	0.0	1.1
FIRST DENVER	A-FDEW	10/75	1440	20.00	1.0	2.13	21.13	4.7	-19.0	3.1
FIRST PEN(B)	D-FPMTZ	9/75	540	28.25	0.5	0.38	16.63	74.4	-24.0	0.2
FIRST PENN	D-FPMTW	7/74	1622	20.00	0.5	0.75	16.63	29.3	-25.0	1.2
FIRST UNION	D-FUREW	12/76	600	12.75	1.0	0.75	11.75	14.9	0.0	0.4
FIRST VA MTG	D-FVMTW	5/77	1208	25.00	1.0	1.50	21.00	26.2	-20.2	1.8
FLATLEY RLT	D-FLTILW	5/75	1000	10.00	1.0	0.38	7.13	45.6	0.0	0.4
GALBREATH FM	D-GALBW	1/76	653	32.00	1.0	0.50	21.75	49.4	13.6	0.3
GUARDIAN M1*	A-GMIW	5/76	364	36.00	1.0	5.50	33.88	22.5	-18.5	2.0
GULF MTG&RL*	A-GMRW	3/76	2210	20.00	1.0	1.00	16.25	29.2	-27.5	2.2
GULF SO MTG	A-GSRW	2/77	759	20.00	1.0	1.38	18.00	18.8	-31.0	1.0
HAMILTON INV	D-HAMTW	7/76	1444	20.00	1.0	1.00	16.25	29.2	-27.5	1.4
HAMILTON INV	D-HAMTZ	5/83	650	20.00	1.0	1.00	16.25	29.2	-27.5	0.6
HOSPITAL MTG	A-HMGW	2/77	1178	25.00	1.0	1.25	17.88	46.8	-9.4	1.5
IDS RLY TR	D-IDSRW	2/77	2408	25.00	0.5	2.00	27.00	7.4	-6.1	4.8
INCOME MTG	D-INMRW	6/77	481	10.00	1.0	0.75	9.75	10.3	0.0	0.4
INDIANA MER	D-INDMW	6/77	575	20.00	0.5	1.13	18.00	23.7	-24.7	0.6
JMB REALTY	D-JMBRW	8/77	510	20.00	1.0	0.75	15.50	33.9	-25.0	0.4
JUSTICE MI	D-JUSTW	1/76	1044	20.00	1.0	3.50	22.50	4.4	-22.2	3.7
JUSTICE MTG	D-JUSTZ	1/79	300	25.75	1.0	1.50	22.50	21.1	-33.3	0.4
KMC MTG IN	D-KMTGW	12/76	1100	15.00	1.0	0.13	9.25	63.6	-65.8	0.1
LARWIN MTG	D-LWN5	4/77	700	32.00	1.0	0.38	21.25	52.4	-39.7	0.3
LARWIN RLY	A-LRMW	12/76	3610	20.00	1.0	0.75	11.00	88.6	-25.0	2.7
M&T MTG INV	D-MTMIZ	8/75	747	13.00	1.0	0.38	10.63	25.9	-24.0	0.3
MEDIAN MTG I	D-MDMIW	9/76	1235	12.50	1.0	1.75	9.88	44.2	-12.5	2.2
MIDLAND MTG	D-MIDMW	9/76	270	12.50	1.0	1.75	14.13	0.8	-39.2	0.5
MTG INV WASH	D-MINW	3/75	936	15.00	1.0	1.63	14.25	16.7	-23.5	1.5
MTG TRUST AM	D-MORTW	11/74	2482	19.00	1.0	0.75	15.00	31.7	-40.0	1.9
NATIONAL MTG	D-NMTGW	3/79	287	10.00	1.0	2.75	12.75	0.0	-21.4	0.8
ND AMER MTG	D-NDAMS	12/74	80	24.00	1.0	2.75	25.00	7.0	-8.3	0.2
NORTH AM MTG	A-NAMR5	3/79	710	31.13	1.0	2.63	25.00	35.0	-8.7	1.9
NDWSTN FINC	D-NFINW	11/77	1510	20.00	1.0	1.50	15.88	35.4	-14.3	2.3
OLD STONE MT	D-OSMRW	3/77	600	16.00	1.0	0.38	13.50	21.3	0.0	0.2
PALOMAR MTG	A-PMIW	3/77	604	16.50	1.0	1.25	14.13	25.6	-9.4	0.8
PEASE ELLIMN	A-PNEW	11/77	1113	18.50	1.0	1.00	14.00	39.3	-33.3	1.1
PNB MTGERLTY	A-PNIW	12/74	1220	20.00	1.0	1.38	18.25	17.2	-38.7	1.7
REPUBLIC MI	A-RMIW	6/79	1064	20.00	1.0	1.00	15.13	38.8	-33.3	1.1
RLTY REFUND	D-RREFW	6/74	1026	20.00	1.0	0.75	19.25	7.8	-14.8	0.8
SECURITY MT*	A-SHOW	5/79	3117	16.00	1.0	0.75	8.63	94.1	-14.8	2.3
SUTRO MIT(B)	A-SUTW	6/77	700	20.00	1.0	1.13	14.13	49.5	-9.6	0.8
SUTRO MTG IN	D-SUTR5	4/74	299	20.00	1.0	0.63	14.13	46.0	-16.0	0.2
TEXAS 1ST MT	D-TFMRW	6/76	1055	20.00	1.0	1.50	17.25	24.6	-14.3	1.6
TRI-SOUTH MI	D-TSMGW	12/74	520	20.00	0.5	4.00	28.63	-2.2	-23.8	2.1
UNIONAM M&EQ	A-UATW	12/74	607	20.00	1.0	2.25	19.00	17.1	-33.4	1.4
US LSG REI	A-USEW	12/74	1348	25.00	1.0	1.38	17.00	55.2	10.4	1.9
USF INVESTRS	D-USFNW	6/75	2500	25.00	1.0	1.25	19.88	32.0	-28.6	3.1
WALTER JIM	D-WALJW	7/77	1035	18.50	1.0	1.00	14.50	34.5	-20.0	1.0
WELLS FARGO	D-WELLW	7/74	3526	20.00	0.5	0.63	19.88	6.9	-44.2	2.2

\*DEBENTURES USABLE IN LIEU OF CASH.



DEBENTURE	EX	MAT	INT (%)	CONV AT	RECENT PRICE	YIELD (%)	% CHNG
ALISON MTG	AS	'91	6.75	27.50	97.00	7.0	-4.0
AMER CENTURY	AS	'90	7.00	21.00	79.50	8.8	-7.6
AMER CENTY'B	NY	'91	6.75	28.00	69.00	9.8	-2.1
AMER REALTY	DC	'84	7.00	10.75	92.00	7.6	1.1
BAIRD&WARNER	DC	'91	6.75	21.00	75.00	9.0	-8.5
BANKAMERICA	DC	'90	6.75	21.00	116.00	5.8	-9.4
BENEF STD MI	AS	'91	6.50	27.75	82.00	7.9	-6.0
CAPITAL MTG	DC	'91	6.50	32.54	68.00	9.6	-10.5
CHASE MANHTN	NY	'96	6.50	55.00	90.00	7.2	-12.6
COLWELL MTG	DC	'91	6.50	29.38	86.00	7.6	-14.9
CONN GENERAL	NY	'96	6.00	32.50	72.50	8.3	-4.3
CONTNLT MTG	NY	'90	6.25	22.25	64.50	9.7	0.4
EQUITBL LF M	NY	'90	6.75	26.25	89.13	7.6	-8.6
FIDELITY MI	AS	'85	7.75	21.25	130.00	6.0	-12.2
FIRST PENN M	DC	'91	6.75	26.00	70.00	9.6	-2.8
FIRST UNION	NY	'91	7.00	13.00	89.50	7.8	0.0
FRANKLIN RLY	AS	'89	7.00	10.00	70.25	10.0	-6.3
GALBREATH	DC	'91	7.00	28.50	73.00	9.6	0.0
GRT AMER MI	DC	'91	7.00	35.50	83.00	8.4	-8.3
HANOVEK SQ R	DC	'92	7.25	21.00	80.00	9.1	-5.9
HEITMAN MTG	AS	'92	7.50	14.70	80.00	9.4	-2.6
HNC MTG	DC	'91	6.75	21.00	88.00	7.7	-9.3
HOTEL INVSTR	DC	'90	7.75	21.00	88.50	8.8	0.6
HOTEL INVTRS	DC	'91	7.50	25.25	73.50	10.2	0.7
LINCOLN MTG	DC	'90	8.00	11.00	82.00	9.8	-4.7
MASSMUTL MTG	NY	'90	6.75	21.00	99.00	6.8	-4.3
MASSMUTUAL M	NY	'91	6.25	33.50	75.00	8.3	3.1
MEDIAN MORTG	DC	'92	7.50	13.50	82.00	9.1	-7.9
MEDIAN MTG I	DC	'90	7.50	10.00	97.00	7.7	-10.2
MIDLAND MTG	DC	'86	7.00	16.67	84.00	8.3	-6.1
MONY MTGIN	NY	'90	7.00	11.00	94.00	7.4	-10.5
MTG INV WASH	DC	'90	8.00	15.00	94.00	8.5	-13.0
NATIONAL MTG	DC	'91	7.00	12.00	106.00	6.6	-7.0
NJB PRIME	AS	'91	6.75	21.00	89.25	7.6	-2.2
NOWSTRN MUTL	NY	'91	6.00	21.00	103.25	5.8	-9.4
OLD STONE MT	DC	'87	6.88	15.00	88.50	7.8	0.0
RAM PACIFIC	DC	'91	6.75	21.00	72.50	9.3	-9.9
REALTY INCQM	AS	'91	8.00	16.50	86.00	9.3	3.0
REPUBLIC MI	NY	'90	7.25	19.00	88.00	8.2	-6.3
SAUL (BF) RL	DC	'91	6.50	23.00	68.00	9.6	3.0
SAUL (BF) REI	DC	'90	8.00	15.50	101.00	7.9	0.0
STATE MUTUAL	AS	'91	6.75	21.00	95.00	7.1	-2.6
SUTRO MIT	NY	'82	6.75	20.00	75.50	8.9	-4.4
SUTRO MTG	AS	'91	6.75	20.00	74.25	9.1	-4.2
TRI-SOUTH MI	NY	'92	7.00	29.50	97.25	7.2	-2.7
US BANCORP	AS	'92	7.00	26.25	102.00	6.9	-1.4
US REALTY IN	NY	'89	5.75	20.20	66.00	8.7	-1.1

## GENERAL FOOTNOTES

\*COLUMNS ANNUALIZED-QUARTER MULTIPLIED BY FOUR. #CASH FLOW. X-EX DIVIDEND. @CASH FLOW INCLUDING DEBT DISCOUNT AMORTIZATION. SYMBOLS SHOWN ARE TICKER SYMBOLS FOR LISTED ISSUES AND NASDAQ SYMBOLS WHERE AVAILABLE. ALL OTHERS ARE FOR COMPUTER IDENTIFICATION.

## LISTING OF PRIMARY AND DILUTED EARNINGS

Warrants only: Amer. Fletcher, \$3.20 primary & \$2.96 diluted; Barnett, \$2.96 & \$2.40; Barnett-Winston, \$1.80 & \$1.68; BT, \$2.80 & \$2.56; Builders Inv., \$3.20 & \$2.44; Cameron-Brown, \$3.04 & \$2.60; CI Mtg., \$1.92 & \$1.92; Citizens Mtg., \$1.72 & \$1.60 (Mar); CleveTrust, \$1.76 & \$1.52 (Mar); Cousins Mtg., \$2.36 & \$2.32; Dominion, \$2.24 & \$1.64; Fidelco, \$3.20 & \$3.16; Ist. Memphis, \$2.04 & \$1.76; First Denver, \$2.32 & \$1.92; Hospital Mtg., \$2.52 & \$2.28; IDS Rlty, \$2.48 & \$2.32; Indiana Mtg., \$1.56 & \$1.56; Mtg. Trust Amer. \$1.88 & \$1.68; M&T, \$1.24 & \$1.16; PNB, \$1.92 & \$1.80; Realty ReFund, \$2.24 & \$1.88; Security Mtg., \$1.12 & \$1.12 (Mar); Texas Ist. \$2.04 & \$1.92 (Mar); Unionamerica, \$2.44 & \$2.00; USF Inv., \$2.92 & \$2.32 (Mar); Wells Fargo, \$2.24 & \$1.92.

Warrants and Convertibles: Alison, \$3.04 & \$2.96; Amer. Century, \$2.00 & \$1.96; Atico, \$2.00 & \$1.80; Ben. Std., \$2.72 & \$2.20 (Apr); Capital, \$2.80 & \$2.44; Citizens & So., \$3.12 & \$2.84; Colwell, \$3.36 & \$2.28 (Mar); Fidelity, \$3.60 & \$3.44 (Apr); First Pa., \$2.08 & \$2.04; Galbreath, \$2.28 & \$2.28; Great American, \$3.28 & \$3.16; Guardian, \$4.40 & \$4.20; Median, \$1.20 & \$1.04; Midland \$1.78 & \$1.70; Mtg. Inv. Wash., \$1.72 & \$1.56; National Mtg., \$1.44 & \$1.32; Republic, \$1.88 & \$1.72 (Mar); Sutro, \$1.64 & \$1.64; Tri-So., \$3.04 & \$2.76.

## HOW TO USE COMPARATIVE TRUST STATISTICS

The data inside are intended to facilitate comparison of relative efficiency of trust management with funds available during the latest period. Every effort has been made to present data for that purpose. Readers should note that the data are historical and not projections of future trends. This holds especially for dividends, which vary with each quarter's earnings for most mortgage trusts and thus are not to be considered in any way as guaranteed yields.

The heart of the comparisons is annualization of current earnings and dividend rates. For mortgage trusts, this is done by multiplying the latest quarter by four without seasonal adjustment. These earnings are adjusted for conversion of debt (i.e., fully diluted) but not for exercise of warrants, as described below. For equity trusts, net cash flow (defined as earnings plus depreciation and non-cash charges minus mortgage amortization) has been used and any known seasonal factors applied. The symbol "%" denotes use of cash flow in the earnings columns. Group averages may be reduced to the extent new trusts are included in any given group.

The number of shares outstanding is the number issued as of the latest balance sheet and is not adjusted for conversion or exercise of warrants. Book value per share however is adjusted for conversion of all convertible debentures. It does not reflect changes for any exercise of warrants nor does it reflect any adjustment for any changes in asset values through appreciation or losses.

Four standard comparisons are presented: price changes since the last issue; price/earnings ratios and estimated dividends based upon current market prices; and percentage of market price to book value. All values are positive unless indicated.

The fifth comparison, return on book value, measures management's performance with available funds. Because of the increasing complexity of trust capital structures, the computations are made in the following manner for trusts with these capital structures.

Convertible debentures only: Fully diluted earnings are compared with fully converted book value per share, since funds from convertibles are at work.

Warrants only: Primary earnings per share are compared with book value without assuming warrant exercise, since again this measures funds actually in use. Trusts in this category currently reporting significant differences and their primary and diluted earnings annual rates are listed inside.

Both warrants and convertibles: Fully converted book value is used. Primary earnings are being used because these are closest to converted earnings. Data for these trusts are slightly overstated. Where primary numbers are well above the dividend, the dividend is used and so noted. Trusts in this category are listed at left.